

**MEMORANDUM**

TO: District of Columbia Board of Zoning Adjustment

FROM: Jennifer Steingasser, Deputy Director
Development Review & Historic Preservation

DATE: November 26, 2010

SUBJECT: Final Report - ZC #08-34- I-395 Air Rights (Return to L'Enfant)
Consolidated PUD, First Stage PUD, and Related Map Amendment

I. APPLICATION

Center Place Holdings LLC (the "Applicant"), on behalf of the District of Columbia through the Deputy Mayor for Planning and Economic Development, is requesting approval of a First Stage Planned Unit Development (PUD) and a Consolidated PUD, both with a related map amendment to C-4 zoning. The Zoning Commission discussed the application at its regular public meeting on July 26, 2010 and set down the proposal for a public hearing.

The proposed development includes the construction of a platform over the freeway and the reconnection through the site of both F and G Streets NW. This results in three new blocks for development called the North Block (between G Street and Massachusetts Avenue NW), the Center Block (between F and G Streets) and the South Block (between E and F Streets NW). Construction of the platform and new office / retail development on the North Block constitutes the consolidated portion of the PUD.

II. SUMMARY RECOMMENDATION

The Office of Planning (OP) fully supports the development of the I-395 Air Rights site. It will reconnect the L'Enfant plan grid above the existing I-395 highway, provide a unique new high density development opportunity with a mix of uses, and incorporate innovative environmental and circulation design elements.

OP has raised with the Applicant a number of issues requiring additional information or clarification. Applicant Specifically, OP has requested additional clarification of the following issues:

Consolidated PUD for the North Block (see descriptions in Section IV below):

1. Building Massing
2. Building Design and Materials
3. Retail Facade Design
4. Retail Strategy
5. Arcades - Design and Space Programming
6. Plazas - Design and Use
7. G Street Design
8. Overall Level of Flexibility Detail

First-Stage PUD (see descriptions in Section V below):

1. Retail Strategy
2. E Street Sidewalk



3. F Street Phasing
4. Overall Level of Flexibility Detail

III. PROJECT UPDATES SINCE THE SETDOWN HEARING

The Applicant has made several changes to the proposal since the case was set down for hearing

- The project's overall square footage has increased by 40,737 square feet, representing a slight floor area ratio (FAR) growth from 8.93 to 8.98 FAR. The North Block buildings have diminished in square footage, while the Center and South Blocks have increased. Overall, retail square footage and office use have increased by approximately 1%, whereas the institutional use square footage has increased by approximately 33%.
- The North Block has been redesigned from a two building scheme with an upper story connection, to a three building design. While a north-south internal arcade orientation generally remains, the Applicant has proposed additional arcades with connections to each surrounding street. The arcade also now links to G Street via a building pass-through. Plazas mark the entrances to the arcade at the corner of 2nd and G streets, Massachusetts Avenue, and 3rd Street.
- Although not entirely clear, it appears that the measuring point for building height for the North Block has been moved from Massachusetts Avenue to 3rd Street NW. As the site is virtually flat, however, this results in only a very slight change in elevation from which height is measured.
- The Applicant has introduced higher retail ceilings in certain locations, including 19' high ceilings at the entry to the arcade from Massachusetts and a 22' tall retail space fronting the East Plaza and G Street.
- In the Center Block, the Holy Rosary Church annex and rectory have changed in orientation and increased in size.
- Previously proposed arcades have been removed from the Center and South Blocks.
- The F Street right of way has been reduced from 110' to 100' in width.
- Fifteen additional parking spaces have been added which increases the total to 1,178 spaces.
- The originally proposed affordable residential commitment of twenty-five units for individuals earning less than 30% of AMI and 25 units for residents earning less than 60% of AMI has been amended to now include the provision of 50 units affordable for individuals earning no more than 80% of the AMI within the District of Columbia and paying no more than 30% of the family's household income for rent or housing ownership costs.

IV. CONSOLIDATED PORTION OF THE PUD (NORTH BLOCK) - DESCRIPTION OF OFFICE OF PLANNING ISSUES

1. Building Massing – OP supports both the overall height and density proposed for the North Block as being appropriate to this location. To some extent, the overall massing is a direct response to the Applicant addressing the District's strong policy statements regarding reconnection of the urban fabric which resulted in the creation of the three development blocks. However, while OP had expressed concerns regarding details of the originally proposed two building form of development, questions remain regarding the current three building form. OP has suggested that additional analysis of options that would allow the buildings to better address the perimeter streets would be of assistance, and that some modulation in the massing would help to alleviate a somewhat "campus" feel to the design. OP is supportive of the stepped back design solution on the southeast corner of the 3rd Street and G Street intersection.
2. Building Design and Materials – When the case was setdown the Commission expressed concerns about the buildings' appearance as a "big glass box." The Applicant continues to propose floor-to-ceiling glass façades. Horizontal cornice lines have been introduced to emphasize the retail and embellish the building tops, although OP has questioned the intent and

effectiveness of this embellishment. While OP does not necessarily object to predominately glass building designs, the buildings seem to cast an overly monolithic appearance. OP is particularly interested in receiving more detail regarding the design of the facades at street level.

3. Retail Façade Design—The Applicant has provided information regarding the design intent for the ground floor retail level, and OP has requested additional renderings to fully detail how the storefronts or streetscape façade treatment will appear animated and urban through out the arcade and the plazas. OP has encouraged the Applicant to provide additional design attention to enlivening the street level pedestrian experience.
4. Retail Strategy – The application rightly stresses the importance of successful ground floor retail for this site, and OP is supportive of the Applicant's attempts to maximize retail space. The Applicant, in the pre-hearing submission, proposes retail that would be “food oriented and neighborhood-serving,” include active uses for after business hours, and flexible retail sizes. However, this unique site and the Applicant's development proposal present a number of challenges to successful, vibrant retail. These include limited residential proposed for the overall site, limited visibility of retail from surrounding streets and neighborhoods, and the difficult infrastructure constraints of the I-395 on and off-ramps on 3rd and 2nd streets.

In addition to retail along the eastern half of re-established G Street, portions of 2nd and 3rd streets, and limited committed retail space along Massachusetts Avenue (other space is noted as office / retail primary retail), the Applicant's primary retail response for the North Block is the creation of an internalized arcade system, which is not a typical site design solution in the District. The proposal attempts to activate the arcade space through building lobbies and retail, but OP has concerns regarding the use and viability of the arcade system. For example, if the retail space is not considered by the retail market to be desirable, it may remain vacant or be filled with day-time office serving retail only, rendering the arcades underutilized and possibly even unsafe spaces in the evening. OP has strongly encouraged the Applicant to retain a retail expert to examine the North Block and overall retail strategy, to clarify retail location, design and market orientation to ensure viability and success.

5. Arcade Design –The application does not provide sufficient design details, including landscaping, or renderings of the North Block arcade for OP to conduct a sufficiently thorough evaluation. Based on the renderings provided, it is not clear that the arcade, and the trellises marking the entrance to the arcade, would sufficiently attract customers to support the envisioned retail uses. The application describes the “Pedestrian Way” as a “two-story high, 60-foot wide penetrating link through the North Block, with landscaping and flexible opportunities for kiosks, carts and other activating uses.” As the arcade branches toward 2nd and 3rd Streets, it narrows to 30' in width. Consolidated PUD Application Exhibit 5.1 appears to show a central landscaping feature along the Pedestrian Way, with some further conceptual embellishment in renderings provided in Exhibits 2.8 and 2.9. However, there is a general lack of detail regarding features such as the dimensions and type of landscaping, materials, seating, lighting, and retail facades. In addition, the appearance of the arcade's southern terminus as it connects to G Street needs further clarification. OP also suggests that sun/shadow studies be performed to get a sense of how the space under the glass arcade roof will feel in each season.
6. Plaza Design – The site plan identifies three plaza spaces located at entrances to the North Block arcade: North Plaza (on Massachusetts Avenue), West Plaza (on 3rd Street), and East Plaza (at 2nd and G Street extended). Each is delimited by a two-story tall metal and glass canopy feature that extends from the adjacent buildings. Renderings in the Consolidated PUD Exhibits 2.3 - 2.5 provide certain perspectives of these spaces.

The concept of creating defined plaza spaces at the arcade entries has merit. The entry plazas could create signature entrances to the arcades, thereby attracting pedestrians to the retail spaces. They could also provide the opportunity for managed outdoor space that would complement the retail,

such as providing for accessory restaurant seating. However, the application, in the text and the supplied renderings, do not adequately indicate how the design of the plazas would result in activated space attractive to pedestrians. The renderings also fail to portray certain features which limit OP's ability to review the proposal. For instance, the presence of an eco-chimney, which the Applicant has informed OP would be approximately 35' in height and made of green glass, is referenced in Exhibits 3.4 and 5.1 but does not appear in renderings of the West Plaza (Exhibits 2.4 – 2.7). While this could constitute an interesting attraction, OP is not clear that the design would do this and has encouraged the Applicant to further explore how to activate the plaza spaces and to provide additional design renderings.

G Street Design – Assuming that improvements to G Street would occur as part of the Consolidated PUD, the Applicant should continue to refine the designs and renderings provided in Consolidated PUD Exhibits 6.5 and 6.6. OP encourages the Applicant to address further how the G Street design would complement adjacent retail and residential uses, how the junctions between G Street and the Pedestrian Way and East Plaza would be designed, and how the G Street would accommodate the pedestrian and bicycle users crossing the site between 2nd to 3rd Streets.

V. FIRST-STAGE PORTION OF THE PUD - DESCRIPTION OF OFFICE OF PLANNING ISSUES

1. Retail Strategy – The Applicant provides that the general retail strategy involves placing “retail uses on each block” and to “design the infrastructure to allow maximum flexibility.” Retail would be concentrated along G, F, and E Streets. As suggested for the North Block, OP recommends that the Applicant retain a retail expert to analyze whether the amount, design, and market orientation of the retail is appropriate for this site. This analysis would also assist OP and the Zoning Commission in the evaluation of the overall retail strategy and the ability of the retail proposed to assist in the achievement of District objectives.
2. E Street Sidewalk – As seen in the First-Stage Exhibit PUD Application Exhibit 2.5, the Applicant's site plan appears to create a narrow sidewalk on the South Block's border with E Street. The Applicant has informed OP that the width of the E Street sidewalk from the property line to the existing curb is 7', and it appears that the proposed building would extend to the property line. OP is concerned that the narrow sidewalk adjacent to the proposed 130' tall building would overly crowd pedestrian circulation. OP encourages the provision of additional building setback to provide more pedestrian space and improve the streetscape experience. OP would not be opposed to the Applicant “re-capturing” this density elsewhere on the South Block.
3. F Street Phasing – The Applicant proposes to re-construct F Street as presented in the Consolidated PUD Application Exhibit 6.7. The Applicant should clarify the timing of the road improvement in the overall phasing of the project.
4. Building Connections - OP has highlighted the need for detailed information about the connections between the buildings in the Center and South blocks which are necessary for height purposes. The Applicant has acknowledged that additional detail will be provided in the Stage Two submissions.

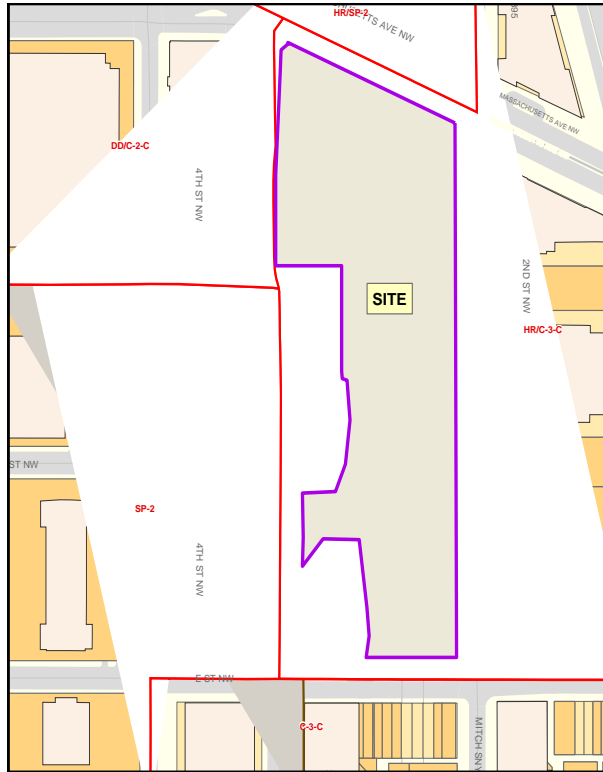
VI. SITE DESCRIPTION

The site is generally bounded by Massachusetts Avenue N.W. to the north, 2nd Street N.W. to the east, E Street N.W. to the south, and 3rd Street N.W. to the west. The majority of the site is composed of the air rights above the sunken I-395 freeway (the so-called Center Leg Freeway).

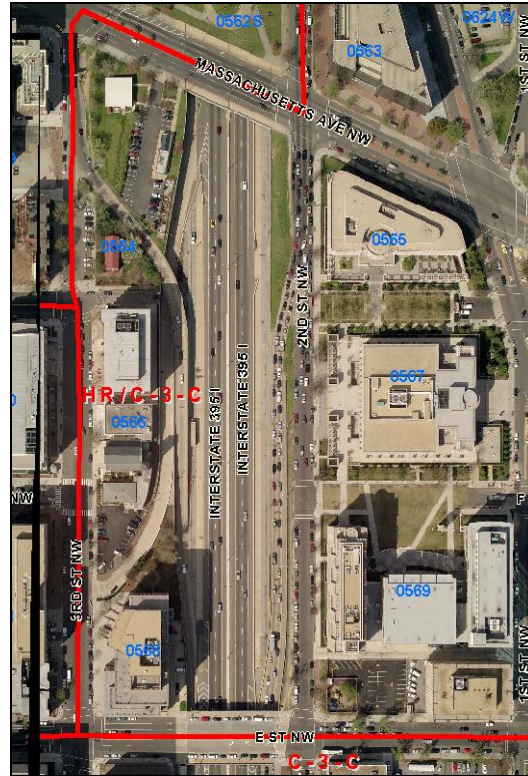
Construction of the freeway began in the 1960s, with the section spanning between the SW/SE Freeway interchange and Massachusetts Avenue completed in the 1970s. An extension from Massachusetts Avenue

to its northern terminus at New York Avenue was opened in the 1980s. Further plans to route I-95 through the District were ultimately abandoned.

The terra firma portion of the site is composed of lands in Squares 564, 566, and 568 (excluding Lots 849 and 850 in Square 566 and Lot 43 in Square 568 which are occupied by existing buildings on the west side of the site). As a result, the western boundary of the site is nonlinear as excludes some properties along 3rd Street. Included within the site are properties occupied by a facility of the Office of the Chief Technology Officer, the historic Adas Israel Synagogue (which contains the Jewish Historical Society of Greater Washington's Lillian & Albert Small Jewish Museum), and facilities for the Archdiocese of Washington, and the I-395 entrance and exit ramps. In total, the site measures approximately 254,671 square feet.



Site Boundary



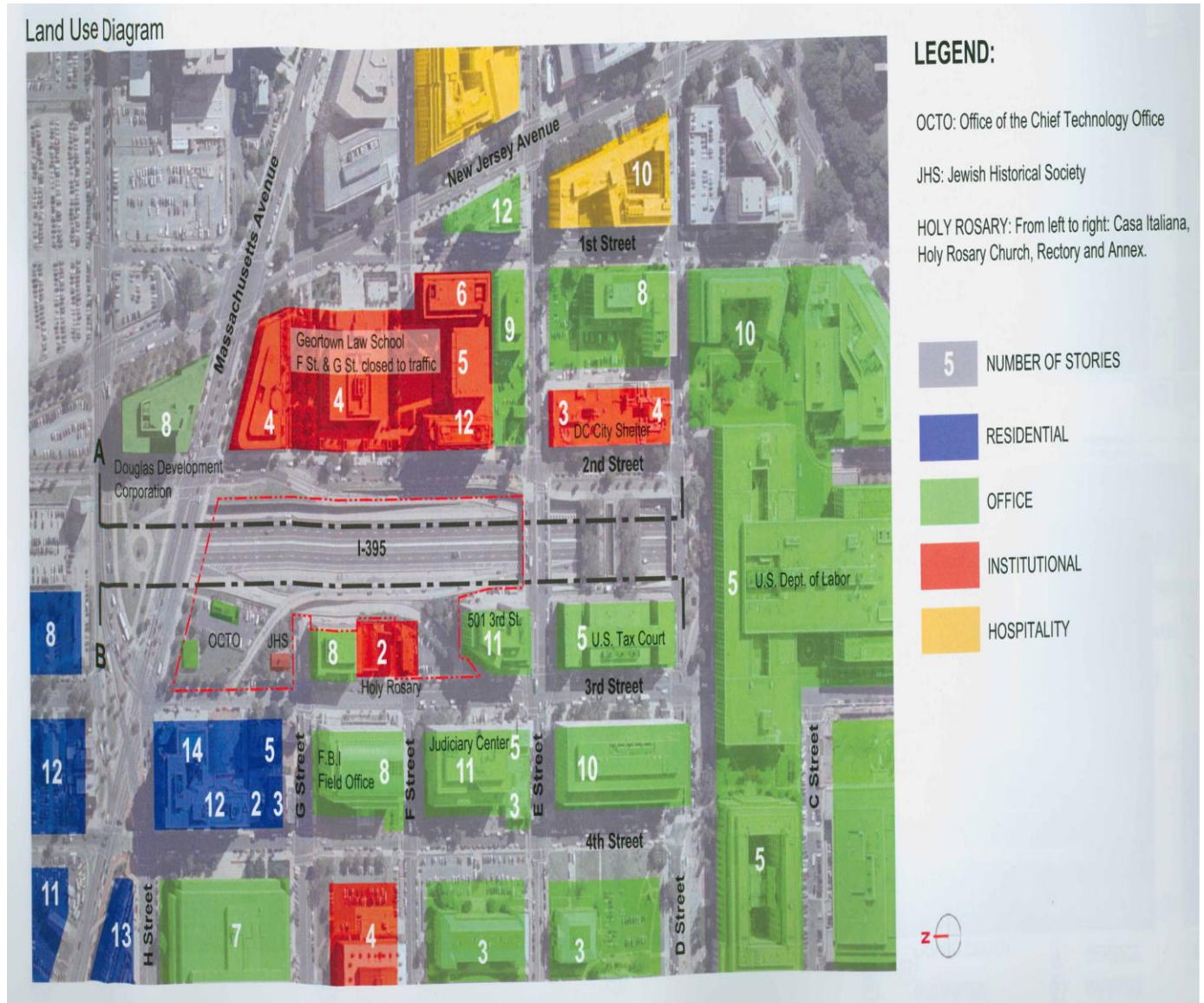
Aerial of Site

AREA DESCRIPTION

The area around the site is characterized by a range of uses, including office, institutional, open space, residential, and some retail. To the north, is a convergence of Massachusetts Avenue, a small park, and H Street N.W. Development includes high rise office and residential buildings.

On the east side of the site, from Massachusetts Avenue to E Street is the Georgetown University Law Center campus, which includes buildings ranging from 4 to twelve stories in height. G Street between 2nd Street and New Jersey Avenue is owned by Georgetown University and functions as a plaza. F Street between 2nd Street and 1st Street was closed pursuant to an easement in 2001 and functions primarily as campus lawn with a security gate on the eastern end, and there is an agreement that it would be re-opened when F Street is re-established just south of Massachusetts Avenue. A northbound I-395 off-ramp connects to 2nd Street.

To the south of the site, I-395 is covered in intervals by E Street, a pedestrian plaza adjacent to the United States Tax Court D Street and, further south, the United States Department of Labor.



On the west side of the Center Block are the eight-story Judiciary Square Federal Building and two-story Archdiocese of Washington buildings. The Judiciary Square Federal Building and its below-grade parking garage, along with parking access, are located within a portion of the G Street right-of-way. The Archdiocese Annex and Rectory, along with an associated parking lot, are currently located within the F Street right-of-way. Across 3rd Street from the Center Block, both F and G Streets are open to traffic. Development includes high rise office and residential buildings with some retail. The south bound-off ramp to I-395 circulates vehicles to 3rd Street below F Street, and a southbound on-ramp provides access to the freeway from 3rd Street above G Street.

PROPOSAL

The Applicant proposes to construct a platform above the sunken portion of I-395 between E Street and Massachusetts Avenue on which a mixed-use project of office, residential, and retail uses would be constructed. F Street (for vehicular and pedestrian traffic) and G Street (for pedestrian traffic only) would be re-established across the site, thereby restoring the L'Enfant street grid. The existing I-395 off- and on-ramps would be relocated through the site.

With the restoration of F and G Streets, three city blocks would be created and are identified in the application as the North Block, the Center Block and the South Block as shown below:



Proposed Blocks

- North Block - between Massachusetts Avenue and G Street;
- Center Block - between G Street and F Street; and
- South Block - between F Street and E Street.

To accommodate the proposed development, the Applicant is requesting a Consolidated PUD for the platform and North Block development and a First Stage PUD for the remainder of the site (Center and South Block development). To accommodate the proposed development the Applicant is requesting a PUD related map amendment that would change the zoning to C-4. The C-4 district is designed for the downtown core and permits a variety of commercial, retail, business uses, and high-density residential and mixed uses.

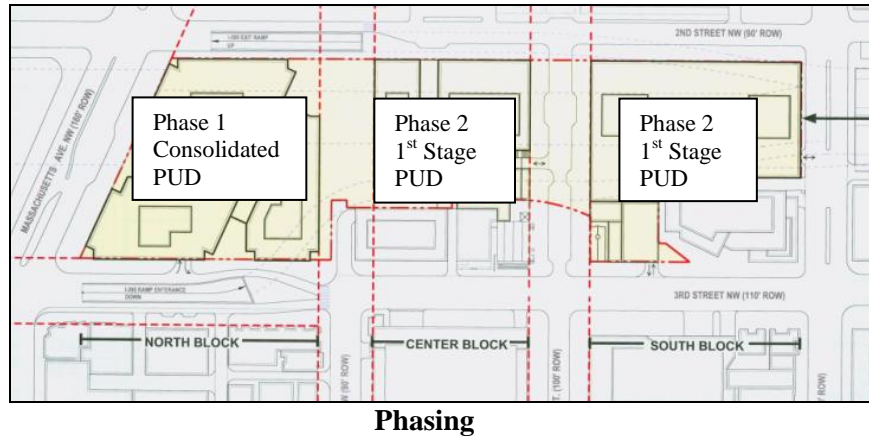
The development would accommodate an approximately 2.3 million square feet mixed use project having an overall FAR of 8.98. Six buildings would extend to 130 feet in height. Office use would comprise approximately 86% of the developed square footage, with the remainder divided between ground floor retail, residential (150 units), and institutional uses. Parking and loading to serve all of the buildings and uses would be located below grade. The historic Adas Israel Synagogue and the Holy Rosary Holy Rosary Church would be re-located and/or reconstructed at the 3rd and F Streets intersection.

The proposed uses on the site are summarized as follows:

Use	Consolidated PUD	First Stage PUD	TOTAL
Residential	None	180,384 gfa	180,384 gfa
Office	910,471 gfa	1,046,924 gfa	1,957,395 gfa
Retail	34,191 gfa	40,623 gfa	74,814 gfa
Institutional	None	70,397 gfa	70,397 gfa
Parking	1,178 spaces	None	1,178 spaces

PHASING

The development would take place in two phases. Phase 1 would include construction of the platform and development of the North Block, and Phase 2 would be the area and activities for the remainder of the development on the Central and South Blocks.



HISTORY OF ZONING OF THE SITE

The Zoning Commission approved a PUD and related map amendment from unzoned to C-3-C in 1990.¹ The approved project consisted of a five structure mixed-use development with a maximum height of 130 feet. Design modifications were approved two years later.² In 1995, the Zoning Commission approved a two year extension for filing a permit.³ A second request to extend the PUD approval was denied by the Zoning Commission in 2003.⁴ The site is zoned HR/C-3-C.

Generally, the C-3 District is designed for major business and employment centers that are supplementary to the Central Business District and should provide substantial amounts of employment, housing, and mixed uses. C-3-C Districts permit medium-high density development, including office, retail, housing, and mixed-use development.

The HR Overlay District was established to encourage hotels within a convenient distance of the old Washington Convention Center site, and apartments to further the land use and other objectives of the Downtown Urban Renewal Plan and other public policy. Hotels and apartment houses are allowed at greater heights and densities than other buildings and uses permitted in the underlying districts.

PROPOSED ZONING

The proposed map amendment would change the zoning from the HR/C-3-C district to a PUD related C-4 (Central Business) district. The C-4 district is designed for the downtown core with a variety of commercial, retail, business uses, high-density residential and mixed uses. The table below outlines the parameters of the C-4 PUD and the proposal.

¹ See Zoning Commission Order Number 664, 1990; it is unclear why the site was considered unzoned. A review of zoning maps back to 1960 show the site zoned with a district equivalent to the current C-3-C.

² See Zoning Commission Order Number 664-A, 1992.

³ See Zoning Commission Order Number 664-B, 1995.

⁴ See Zoning Commission Order Number 664-C, 2003.

	C-3-C	HR/C-3-C*	C-4 PUD	Proposal
Height	90 ft.	130 ft.*	130 ft.	130 ft.
FAR	6.5	8.5*	11.0	8.79
Lot Occupancy	100%	100%	100%	91%
Parking	1,178 spaces	1,178 spaces	1,178 spaces	1,178 spaces
Loading	3 berths @ 55' 4 berths @ 30' 2 platforms @ 200' 4 platforms @ 100' 3 service spaces @ 20' deep	3 berths @ 55' 4 berths @ 30' 2 platforms @ 200' 4 platforms @ 100' 3 service spaces @ 20' deep	3 berths @ 55' 4 berths @ 30' 2 platforms @ 200' 4 platforms @ 100' 3 service spaces @ 20' deep	1 berth @ 55' 8 berths @ 30' 1 platform @ 200' 8 platforms @ 100' 4 service spaces @ 20' deep

* For Hotel or Apartment use only

FLEXIBILITY

The supplemental submission states that there is no flexibility requested from the requirements of the Zoning Regulations (page 19) however, the project does require the significant flexibility in density and height afforded through a PUD with a related map amendment. Section 2400.2 of the PUD regulations states:

The overall goal is to permit flexibility of development and other incentives, *such as increased building height and density*; provided, that the project offers a commendable number or quality of public benefits and that it protects and advances the public health, safety, welfare, and convenience.

The Commission has historically considered a related map amendment as flexibility when the purpose is for additional density, height or uses. The related map amendment to C-4 allows for density and height beyond that of the underlying HR/C-3-C matter-of-right zoning (or C-3-C PUD) and is considered requested flexibility.

Flexibility needed for this project is an increase in density of 2.48 (approximately 630,000 sq.ft.) and 40 feet of height. The original submission indicated that flexibility was being requested to reduce the number of 55-foot loading berths and associated platforms and increase the number of 30-foot berths and associated platforms; the prehearing statement no longer mentions any needed flexibility for loading, however Sheet 1.17 notes that the project still proposes the relief.

The November 15, 2010 submission on pages 19-20 lists seven additional areas of requested flexibility that need to be more defined. In combination, these flexibilities could significantly affect the overall design and character of the PUD. For example, flexibility to vary the location of “structural slabs” could impact the heights of the ground floor retail; flexibility to vary the “location, attributes and general design of the public spaces and streetscapes” makes it difficult to assess the value of the public spaces and streetscapes as benefits or the predictability of their ultimate design; and flexibility to relocate retail entrances and facades could significantly impact the success of the arcade and its feel as a publically welcoming space.

OP supports the flexibility to height and density and notes that the project will offer a commendable number of public benefits. However, OP recommends that the Applicant refine the list of general flexibility requests to ensure that there is a level of predictability commensurate with a PUD application.

OP also suggests that the Applicant provide the annotated table as required by 2403.11 which compares the project with the matter-of-right standards of the zone. The application does include a Tabulation of Development Data, but it only includes data relevant to the requested PUD with C-4 Map amendment, not for the matter-of-right HR/C-3-C zoning.

FEDERAL HIGHWAY ADMINISTRATION (FHWA) AND NATIONAL ENVIRONMENTAL POLICY ACT (NEPA) PROCESSES

In order to achieve this proposal, a significant amount of work and construction relating to transportation is being addressed. The highway and its associated ramps are governed by the Federal Highway Administration and the Applicant is working with them to facilitate the relocation of the ramps and the feasibility of the structure over the highway. Additionally, the National Environmental Policy Act (NEPA) requires that an environmental assessment be conducted for the modification of the freeway. The Applicant states that they are awaiting a required letter from the FHWA stating that the structure is acceptable. The NEPA process and review will occur concurrently with the zoning process and should take up to twelve months to complete.

STAGE 1 PUD

Project Update Since Setdown

Changes include the slight increase of the project's floor area ratio (FAR), from 8.93 to 8.98 FAR, and a 15 space increase in the number of parking spaces to a total of 1,178 spaces. The North Block buildings have diminished in square footage, as two buildings have been redesigned into a three building scheme. In contrast, the Center and South Blocks have grown in square footage, with both commercial and institutional space increasing. A new arcade design was introduced in the North Block as well as an east plaza space, while arcades were removed in the Center and South Blocks.

North, Center and South Blocks

To achieve the proposed development three major occurrences will happen. A platform must be built over the freeway between E Street and Massachusetts Avenue and 2nd and 3rd Streets; F and G Streets must be reopened; the existing ramps to I-395 must be relocated; the Adas Israel Synagogue must be relocated, and the Rectory and Annex to the Holy Rosary Church must be relocated.

The proposed development would reestablish three city blocks that were lost with freeway construction and re-knit a divided city neighborhood. The reconstruction of F and G streets would provide east-west connections across the three blocks. F Street would be constructed to its historically correct 100-foot right-of-way and be open to both vehicular and pedestrian traffic. G Street would be reopened with a historically correct right-of-way of 90-feet and would be exclusively for pedestrian traffic. To further facilitate the development, pedestrian and vehicular movements, the existing 2nd Street northbound ramp would be reconfigured and the 3rd Street, southbound ramp would be eliminated and a new ramp provided.

Based on the restoration of the street grid, three blocks would be created to accommodate the development at an overall FAR of 8.98 and 2,285,761 gross square feet of space. Each Block is designed to be treated as a single structure for zoning calculation purposes. The North Block would be developed with three structures generally oriented towards Massachusetts Avenue. This block will be predominantly office use with ground floor retail and a total of 944,662 gross square feet of space. The structures would be connected by an internal open canopy which, according to the Applicant, makes them a single building for the purpose of measuring the height from the center of the building along 3rd Street. All three structures would have a height of 130 feet. One of the access points to the underground parking would be under the North Block from 3rd Street. The historic Adas Israel Synagogue which is currently located at the northeast corner of 3rd and G Streets would be relocated to the southeast corner of 3rd and F Streets to accommodate the realignment of the 3rd Street ramp through the site.

The Center Block between G and F Streets would consist of a single, 130 feet high structure with residential uses fronting on G Street and office uses fronting on F Street, with ground floor retail incorporated in the residential and office buildings. The Holy Rosary Rectory and the Holy Rosary Annex, which are currently within the F Street right-of-way, would be relocated to the east side of the Church and Casa Italiana which were their original locations prior to the construction of the freeway. The new location would place portions of the new buildings within the PUD boundaries and the remainder on the Archdiocese's property. A small parking lot bounded by all the buildings to serve the Annex and the Rosary would also be used for other outdoor events. The Applicant provides that because the residential, office and Holy Rosary Rectory Annex would connect through an at grade walkway, they would be treated as one building for the purpose of measuring height. The height would be measured from the F Street at the center of the building. OP has asked for additional detail prior to the filing of a Stage 2 application.

The South Block would include a 130 feet high office building with ground floor retail and total 840,450 gross square feet of space, including the to-be-relocated historic Adas Israel Synagogue and new office space constructed in three adjacent buildings at heights of 4, 5, and 7 floors with a total of 50,214 gross square feet of space. The relocation of the historic synagogue would allow it to be placed in a setting that would better enhance the historic building and provide additional space for expansion.

The table below summarizes the requested Stage I PUD for the entire site and established overall FAR, height, uses and other parameters for the overall development entire site:

	Use (sq. ft.)				Building Height (ft.)		Parking
	Retail	Office	Residential	Institutional	Feet	Stories	Spaces
North Block	34,191	910,471	none	none	130'	12	1,178 spaces (total for development)
Central Block	20,623	276,688	180,384 (150 units)	22,954 for the Annex, Rectory, & garage	130'	Residential 13 Commercial 12 Institutional 5	
South Block	20,000	770,236	None	50,214 for the JHS Buildings	130'	Office-12 JHS – 4, 5, 7	
TOTAL	74,814	1,957,395	180,384	73,168	130'	n/a	1,178 spaces

Retail

The proposal calls for 74,814 square feet of retail across the three block span and the Applicant generally anticipates that the retail would be food-oriented and neighborhood serving. The development proposes retail and office use on the ground floor of all buildings. Nearly half of the retail uses projected for the development would be concentrated in the North Block, where retail sites would be located along the pedestrian arcade and plaza in the North Block and along G and E Streets. The plans (Retail Diagram - page 2.4) outline areas where retail would be provided and other areas where office would be an optional use. Retail uses would be accessed directly for the adjacent street on which the space fronts. The North Block has an open area arcade which would be lined with retail uses. OP generally is supportive of ground floor retail uses along streets to activate the street and connect retail areas to residential and employment areas. However, an overall retail strategy would inform the discussion as to how successful the retail area will be in achieving its goal. OP has requested a retail strategy study which would articulate a rationale for the locations, type and amount of retail that can be supported on this site.

Housing

At Setdown the Commission expressed concerns that the 150 residential units seemed small for a development of this size. The proposal continues to provide only 150 units (180,000 square feet of residential use) in the Center Block. The Applicant maintains that there are sufficient residential developments in the broader area to support the proposed retail.

A minimum of 50 units would be affordable to individuals earning no more than 80% of the AMI within the District of Columbia and paying no more than 30% of the family's household income for rent or housing ownership costs. Affordable restrictions would remain for a period of forty years from the date that the first unit in the residential building is occupied. The affordability limitation represents a shift from the Applicant's original application, which proposed twenty-five units for residents earning less than 30% of AMI and 25 units for residents earning less than 60% of AMI. OP suggests a comparison be provided that compares the requirement for the housing and affordable housing with the Inclusionary zoning requirements, prior to proposed action.

Transitions

The majority of the developments in the surrounding area are high density buildings with heights between 110 feet and 130 feet. The surrounding developments should not be impacted by the proposed development because they are separated by right-of-ways of ranging from 90 feet and 160 feet. The subject development proposes 130 feet buildings with the exceptions of the facilities of the Holy Rosary Church and the JHS Synagogue. The proposed development would not be out-of-scale in terms of height with the surrounding area. With the relocation of the JHS Synagogue adjacent to the facilities of the Holy Rosary Church at the 3rd and F Streets intersection, an area with lower building heights would be created to anchor the intersection. Further details on the transitions to these buildings would be addressed in the Consolidated PUD for the Center and South Blocks.

Historic Preservation

The proposal would relocate the historic Adas Israel Synagogue to the southeast corner of F and 3rd Street. The new location would elevate the visibility and access to the site. The proposal would also restore the L'Enfant street grid by re-constructing F and G Streets in the historic right-of-way widths of 100 feet and 90 feet, respectively.

Landscaping and Streetscape Design

The streetscape design around the perimeter of the development includes wide sidewalks and plantings. Consistent with landscaping along other areas of Massachusetts Avenue, the sidewalk will be divided by a planting strip with trees and ground cover. The streetscape design along 2nd, 3rd and F Streets would emulate typical Downtown streets. The landscaping of re-opened G Street would include a central landscape strip with open areas adjacent to the retail uses. Landscaping would include a combination of street trees in elevated planter boxes and ground cover to soften the pedestrian experience.

CONSOLIDATED PUD FOR THE NORTH BLOCK

The Consolidated PUD portion of the application includes the construction of the entire platform in the air rights space; the construction of the parking and service levels; and the development of the North Block.

Platform Construction

The first step in the development would be the construction of the platform in the air rights portion of the property above the I-395 right-of-way. The entire platform would be built to accommodate each building's independent support and enable the base of the buildings to be at the existing grade level of adjacent streets.

Parking and Loading

All parking, loading, and service facilities would be provided in five levels below grade and above the I-395 right-of-way to support all the buildings in all three blocks. The parking garages would be accessed from two points along 3rd Street to the North Block and the South Block and from F Street to the Center Block. Elevators and stairs provide access to the buildings above. The development would have 1,178 parking spaces which is the number of spaces required under the Zoning Regulations. The Commission expressed some concerns regarding the high number of parking spaces that would be provided. The Applicant maintains that, based on their analysis, they have proposed the needed number of spaces to support the workers, residents and visitors to the site without any spillover into the adjacent neighborhood. OP has

recommended that the Applicant consider options for the uses of these spaces if their projected use does not materialize.

The loading and service delivery area would be accessed from E Street on the South Block into a centralized area. In order to avoid conflicts with traffic or pedestrian movements on the adjacent roadway, enough space is provided to enable trucks to turnaround in the underground loading area. The Applicant has requested the flexibility to reduce the number of 55-foot loading berths and associated platforms and increase the number of 30-foot berths and associated platforms. The proposed reallocation of loading berths would better serve the needs of both the commercial and residential tenants as all loading activity would be managed and coordinated. The management and coordination of the loading is further addressed in the Transportation Management section of this report and in the District Office of Transportation (DDOT) report submitted under separate cover.

North Block

The Applicant's original submission called for essentially a single building, where two 12-story structures connected on the top floors and flanked a north-south oriented and covered "central green" extending from Massachusetts Avenue to re-connected G Street. The Commission expressed concern about the development's "gargantuan" size and appearance as a "big glass box." The Applicant now proposes a three building design on the North Block with an arcade covered by a two-story tall glass canopy. The arcade connects through the North Block to Massachusetts Avenue and 2nd and 3rd Streets. The arcade would be lined with retail space and building entrances. The glass façade was retained.

PUD EVALUATION STANDARDS

Urban Design, Architecture and Site Planning

The architectural façade material of the three structures would be clear, high efficiency glass in a "consistent architectural aesthetic." Canopies emphasize points of entry into the buildings and the arcade system, while a related cornice line which wraps around the buildings' exterior is intended to signal the retail at the base of the building. OP has questioned the effectiveness of the canopies and this cornice line. A broken cornice line on the top of the buildings provides additional contrast, although OP has also questioned the intent of this detail. The corners of the building step back for the full height of the building to provide contrast and vertical emphasis, as well as to improve the pedestrian space and experience at these locations. While most other area buildings incorporate other materials into the façade design, the proposed design appears to reflect a current trend emphasizing floor to ceiling exterior glass. Because the area does not yet have a distinct or prevailing architectural style, the proposed style is not out of character. Additional detail will be needed from the applicant to illustrate that the consistent use of glass, the limited articulation, and the similarity in design of the buildings along Massachusetts Avenue will not result in the buildings appearing indistinct.

The two buildings fronting Massachusetts Avenue would be separated by a 60 feet wide arcade. The arcade would connect directly to the proposed G Street via a plaza space at the southeast corner of the North Block and through a covered opening in the building abutting G Street. Additionally, a 30 feet wide arcade would extend to 3rd Street and terminate in an open plaza highlighted by a 35 feet tall green glass eco-chimney and a canopy. The arcades would incorporate landscaping, retail, entries to office lobbies and access to underground parking. Portions of the arcade would be covered by a one-story trellis that would connect the structures.

Retail

Retail throughout the project is discussed in the Stage 1 above. Nearly half of the retail is proposed to be in the North Block. The proposal provides that retail space flanking the entry to the arcade from Massachusetts Avenue would have ceiling heights of 19 feet. Ceiling heights along the arcade would range from 12 feet to 14 feet, whereas retail space fronting the plaza and G Street would have 22 feet high ceilings. Additional optional retail space would also be provided depending on demand. The Applicant further plans for G Street

to be lined with activating retail, such as restaurants with exterior seating, and a central spine of landscaped planters.

While incorporating retail throughout the development is a desirable objective, OP remains concerned that the North Block arcade design and still materializing retail strategy may not effectively cultivate a successful retail environment. Questions remain whether the proposed interior retail spaces would be visible enough from surrounding streets, particularly from Massachusetts Avenue, to draw in customers. Additionally, because of the modest residential development proposed for the site itself, it is unclear whether the arcade would be lively in the evening and weekend hours. OP continues to urge the Applicant to demonstrate further that the proposed North Block design will accommodate a successful retail environment and provided details to evaluate the plaza spaces and eco-chimney.

Transportation Management

The Applicant has worked with DDOT to prepare a Transportation Demand Management Plan. Among other features, the TMP calls for a designated property transportation coordinator to implement related obligations. The Applicant proposes 440 secure bicycle parking spaces, an on-site bike share station, changing and shower facilities for employees, car-share spaces, and an on-site business center for the residents.

More generally, the reestablished G and F streets would reconnect pedestrian and vehicular crossings, thereby improving general circulation patterns in the neighborhood. The site is located proximate to public transportation options, including multiple Metro Stations and bus routes. The project would also have centralized below-grade loading and parking. OP expects that a DDOT Report will address the Applicant's TMP in more detail.

Landscaping and Streetscape Design

The streetscape design around the North Block includes wide sidewalks and plantings. The Massachusetts Avenue sidewalk will be divided by a planting strip with a combination of street trees in elevated planter boxes and ground cover to soften the pedestrian experience. The streetscape along 2nd and 3rd streets follows those used along a typical Downtown street. Going south along 3rd Street after the I-395 ramp is a small median with ground cover plantings. The Applicant has shown OP various versions of the landscaping for G Street which would be reopened to pedestrian traffic. It is envisioned that there would be a central planting strip with paved areas adjacent to the retail areas along the base of the North and Central Blocks. As part of the consolidated PUD, the platform for the entire project would be constructed. In order to protect the Center Block and South Block until their development the land bays would be protected by chain link fencing with plastic screening.

Green Elements

The Applicant proposes a sustainable design that would include a number of environmentally innovative elements with the greatest focus on improving the air and water quality issues on the site. The development would include a water collection and re-use system that would capture, process, and re-use all of the rainwater and groundwater entering the site, thereby reducing water use and run-off. Two eco-chimneys would provide air filtration from the below grade parking, loading, and service areas. The Applicant has referenced an electrical co-generation plant which may have the capacity to serve not only the proposed development but also nearby existing developments. All buildings would have green roofs to help reduce run-off and heat island affect. In addition, the core and shell of the office buildings would rate as USGBC LEED Platinum and the residential building as LEED Gold. The Applicant has provided a LEED score card. The Applicant has submitted the proposal to the District Department of the Environment (DDOE).

Local Business Opportunities and First Source Agreements

Certified Business Enterprises would represent 20 percent of the developer's equity in the project. The Applicant has further committed to have at least 35% of the contract value of the project go to small, local, and disadvantaged businesses.

The Applicant submits that they have executed a First Source Agreement with the Department of Employment Services to fill up to 51% of the construction jobs with District residents. To achieve this goal, the Applicant would establish a workforce intermediary structure that would connect with employment training providers to target the curriculums of their training programs to the expected job opportunities. The Applicant has committed that the above agreements would apply to each phase of the development. The Applicant should provide signed copies of these agreements prior to Final Action being taken by the Zoning Commission.

PUBLIC BENEFITS AND AMENITIES

Sections 2403.5 through 2403.13 of the Zoning Regulations discuss the definition and evaluation of public benefits and amenities. In its review of a PUD application, § 2403.8 states that “the Commission shall judge, balance, and reconcile the relative value of the project amenities and public benefits offered, the degree of development incentives requested, and any potential adverse effects according to the specific circumstances of the case.” To assist in the evaluation, the Applicant is required to describe amenities and benefits, and to “show how the public benefits offered are superior in quality and quantity to typical development of the type proposed ...”

Benefits and amenities evaluation is based on an assessment of the additional development gained through the application process. In this instance, the map amendment from C-3-C to a C-4 PUD would allow the site to be developed at a greater density and height. A comparison table has not yet been provided by the Applicant.

The following are benefits offered:

1. Construction of a platform that allows for the reconnection over the highway and the extension of F and G streets.
2. The reopening of F and G Streets and their improvement with extensive landscaping and enhanced pedestrian ways.
3. A minimum of 50 units would be affordable to individuals earning no more than 80% of the AMI within the District of Columbia and paying no more than 30% of the family's household income for rent or housing ownership costs. Affordable restrictions will remain for a period of forty years from the date that the first unit in the residential building is occupied.
4. Environmentally innovative elements would be incorporated in the buildings and below the platform and would include processes that would purify air and water on the site through the use of elements such as eco-chimneys and green roofs. The Applicant proposed LEED for Core and Shell (CS) at the platinum certification for the office buildings and gold for the residential building.
5. Participation in a First Source Agreement with the District of Columbia Department of Employment Services to hire District residents. Further, since the construction is expected to occur over a number of years the Applicant would work with existing training programs to identify potential workers and ensure they are appropriately trained for the jobs that would be available.
6. Participation in the Certified Business Enterprise (CBE) program offered by the Department of Small and Local Business Development. The Applicant states that CBE represent 20% of the equity in the development and commits to 35% of contract dollars for CBE.
7. A number of Transportation Management elements would be incorporated in the development and would include bicycle parking, a car-share program, and programs to encourage telecommuting, flexible work hours, and public transportation use and a Capital Bike Share Station.
8. A \$50,000 contribution to Casey Trees to improve the existing park at 2nd and H Streets and Massachusetts Avenue, which is located to the immediate north of the site. The contribution would be made prior to the issuance of a building permit for the construction of the platform.

The Commission has asked in past cases for clarification of what is required by other government agreements or legislative action. The air rights were sold to the developer by the City Council and the

development is covered by a land disposition agreement. However OP notes that while certain items may not qualify as “amenities” they definitely are benefits and exceed what could result as a matter-of right.

Section 2403.9 reads:

Public benefits and project amenities of the proposed PUD may be exhibited and documented in any of the following or additional categories:

- (a) Urban design, architecture, landscaping, or creation or preservation of open spaces;*
- (b) Site planning, and efficient and economical land utilization;*
- (c) Effective and safe vehicular and pedestrian access, transportation management measures, connections to public transit service, and other measures to mitigate adverse traffic impacts;*
- (d) Historic preservation of private or public structures, places, or parks;*
- (e) Employment and training opportunities;*
- (f) Housing and affordable housing;*
- (g) Social services/facilities;*
- (h) Environmental benefits, such as:*
 - (1) Storm water runoff controls in excess of those required by Stormwater Management Regulations.*
 - (2) Use of natural design techniques that store, infiltrate, evaporate, treat, and detain runoff in close proximity to where the runoff is generated, and*
 - (3) Preservation of open space or trees;*
- (i) Uses of special value to the neighborhood or the District of Columbia as a whole; and*
- (j) Other public benefits and project amenities and other ways in which the proposed PUD substantially advances the major themes and other policies and objectives of any of the elements of the Comprehensive Plan.*

The benefits generated by this project qualify under all categories and are definitely commendable. The benefits are a part of a transformative project that not only enables quality new construction but also the unique opportunity to reconnect a part of the city that has been divided for over forty years.

COMPREHENSIVE PLAN

The 2006 Comprehensive Plan and the Future Land Use Map places the property in a high density commercial area. High density commercial areas are defined in the Comprehensive Plan as:

“... the central employment district of the city and other major office employment centers on the downtown perimeter. It is characterized by office and mixed office/retail buildings greater than eight stories in height, although many lower scale buildings (including historic buildings) are interspersed. The corresponding Zone Districts are generally C-2-C, C-3-C, C-4, and C-5, although other districts may apply.”

The Comprehensive Plan text provides a considerable number of land use policy guidance which are applicable to the proposal, including:

Policy Central Washington (CW)-2.5.6: I-395 Air Rights Development *“Pursue development of the air rights over I-395 between E Street NW and Massachusetts Avenue NW, including the restoration of the streets rights-of-way along F and G Streets. Mixed land uses, including housing, offices, ground floor retail, and parkland, should be encouraged in this area. Air rights development should be sensitive to adjacent areas and should preserve important views.”*

The policy would be implemented by the Applicant's proposal the restore the F and G Street right-of-way consistent with the L'Enfant Plan and would be a mixed use development of office housing and ground floor retail. Although parks will not be a part of the development there are ample open space areas such as

the arcade, plazas and the restored G street which would be open to pedestrian and cyclist only. These areas within the development provide opportunities for gathering and experiencing an outdoor feel. The development is designed to be sensitive to the surrounding area and preserved the views along Massachusetts Avenue, 2nd and 3rd Streets.

Policy PROS-4.2.5: Podium Parks

“Consider the development of ‘podium’ type open spaces and parks in the air rights over below-grade freeways, including the I-395 Freeway through Downtown DC, and the Southeast-Southwest Freeway near Capitol Hill.”

The proposed development over the I-395 Freeway would be constructed on a platform with active open spaced between the buildings.

Policy LU-1.1.1: Sustaining a Strong City Center

“Provide for the continued vitality of Central Washington as a thriving business, government, retail, financial, hospitality, cultural, and residential center. Promote continued reinvestment in central city buildings, infrastructure, and public spaces; continued preservation and restoration of historic resources; and continued efforts to create safe, attractive, and pedestrian-friendly environments.”

The gap created by the freeway along Massachusetts Avenue would be filled in by the proposed development and would add to the vitality of the area by bringing workers, shoppers and residents to the area. The restoration of F and G Streets and the preservation and relocation of the JHS Synagogue would create areas of activity within the developed area as well opening the adjacent streets to pedestrian activity.

Policy LU-1.2.2: Mix of Uses on Large Sites

“Ensure that the mix of new uses on large redeveloped sites is compatible with adjacent uses and provides benefits to surrounding neighborhoods and to the city as a whole. The particular mix of uses on any given site should be generally indicated on the Comprehensive Plan Future Land Use Map and more fully described in the Comprehensive Plan Area Elements. Zoning on such sites should be compatible with adjacent uses.”

The mix of office, retail, residential and institutional uses proposed for the site are those recommended and indicated on the Comprehensive Plan Future land Use Map and in the Area Elements. The proposed C-4 zone to allow the proposed used and density which would be compatible with adjacent use as well as serve the neighborhood and the City.

Policy LU-1.2.5: Public Benefit Uses on Large Sites

“Given the significant leverage the District has in redeveloping properties which it owns, including appropriate public benefit uses on such sites if and when they are reused. Examples of such uses are affordable housing, new parks and open spaces, health care and civic facilities, public educational facilities, and other public facilities.”

The development of the site would provide many public benefits including the provision of jobs; provision of affordable housing; bringing shoppers to the area; repairing the urban fabric by covering the freeway and restoring the street grid; and incorporating public open space areas and environmentally sustainable elements.

Policy LU-1.2.7: Protecting Existing Assets on Large Sites

“Identify and protect existing assets such as historic buildings, historic site plan elements, important vistas, and major landscape elements as large sites are redeveloped.”

The historic JHS Synagogue and the Holy Rosary Church would be relocated, preserved and integrated into the development. Landscaping to enhance the development as well as the neighborhood would be

provided around the perimeter of the site as well as internal to the development. Major landscaping would be provided within the pedestrian oriented G Street

Policy LU-1.4.1: Infill Development

“Encourage infill development on vacant land within the city, particularly in areas where there are vacant lots that create “gaps” in the urban fabric and detract from the character of a commercial or residential street. Such development should complement the established character of the area and should not create sharp changes in the physical development pattern.”

The proposed development would fill in the gap which resulted from the construction of the I-395 Freeway created a gap in the landform between Massachusetts Avenue and E Street and eliminated portions of G and F Streets. The development would complement the character of the area in scale and size. The architecture is different from the surrounding but through transitioning and the use of setbacks would fully complement the surrounding buildings and area.

Policy T-2.4.1: Pedestrian Network

“Develop, maintain, and improve pedestrian facilities. Improve the city’s sidewalk system to form a network that links residents across the city.”

The pedestrian experience is an important asset of this development and is provided through the reconnection of G and F Streets. A wide sidewalk would be provided along Massachusetts Avenue. Internal to the development of the North Block is an open arcade adjacent to the retail uses provided. Sidewalks are provided along the perimeter of the development with distinctive paving at crosswalks to accommodate pedestrian movement.

Policy E-1.1.3: Landscaping

“Encourage the use of landscaping to beautify the city, enhance streets and public spaces, reduce stormwater runoff, and create a stronger sense of character and identity.”

Landscaping would be provided around the perimeter of the building and would consist of streets and ground cover. Some trees would be in planter boxes due to the inability to have a stable root system. A portion of the arcade which fronts on Massachusetts Avenue would have a landscaped area with trees and ground cover also. G Street will be a pedestrian area that would be heavily landscaped and would give character to the area. All the buildings would have green roofs to reduce stormwater runoff.

Policy E-3.2.1: Support for Green Building

“Encourage the use of green building methods in new construction and rehabilitation projects, and develop green building methods for operation and maintenance activities.”

The development would have a number of environmentally innovative elements mainly focused on improving the air and water quality issues on the site. The development would include a water collection and re-use system that would capture, process, and re-use all of the rainwater and groundwater entering the site, thereby reducing water use and run-off. All buildings would have green roofs to help reduce run-off and heat island affect. The core and shell of the office buildings would rate as USGBC LEED Platinum and the residential building as LEED Gold.

Policy UD-1.1.2: Reinforcing the L'Enfant and McMillan Plans

“Respect and reinforce the L'Enfant and McMillan Plans to maintain the District’s unique, historic and grand character. This policy should be achieved through a variety of urban design measures, including appropriate building placement, view protection, enhancement of L'Enfant Plan reservations (green spaces), limits on street and alley closings (see Figure 9.3), and the siting of new monuments and memorials in locations of visual prominence. Restore as appropriate and where possible, previously closed streets and alleys, and obstructed vistas and viewsheds.”

The creation of the development over the freeway would reinstate three City blocks in the L'Enfant Plan that were eliminated with the construction of the Freeway. Additionally, portions of F and G Street would be reestablished to connect 2nd and 3 Streets. The Applicant has reserved a space for a piece of artwork at the entrance to the North Block along Massachusetts Avenue.

AGENCY COMMENTS

The proposal is being or will be reviewed by DDOT, Federal Highway Administration and DDOE. DDOT has indicated that they will submit a memorandum prior to the hearing.

RECOMMENDATION

The proposal would bring about an extraordinary development that would be unique to the District. The main features of the development are the use extensive air rights above a freeway, the re-establishment of the L'Enfant plan grid across the site, the reconnection of neighborhoods, and the provision of a mix of uses that would bring vitality to the area. Additionally, the development would be environmentally sensitive and use measures and elements that would qualify it for platinum and gold certification by LEED.

The proposed PUD and related map amendment are not inconsistent with the 2006 Comprehensive Plan and Future Land Use Map. OP looks forward to receiving additional information and working with the applicant prior to the hearing and may submit a supplemental report.

JLS/ Maxine Brown-Roberts
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